

**MINUTES**  
**REGULAR WORKSESSION**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**April 20, 2010**  
**5:00 p.m.**

**CALL TO ORDER**

**Mayor Krieger** called the City Council meeting to order.

Councilmembers Present: Stuart, Mendoza, Beeson, McClendon, Brooks-Gurrola, Johnson and Mayor Krieger  
Councilmembers Absent: none  
Staffmembers Present: City Administrator, Greg Wilkinson  
Various department heads or their representatives  
Brigitta M. Kuiper, City Clerk

**I. SUMMARY OF CURRENT EVENTS**

**Wilkinson** drew attention to the following:

- City employee, Ty Cook, won Best in Show for photography at the recent Art Beat 3 competition
- April 24, 2010: Fairy Party will be held in West Wetlands – completely booked
- City Parks and Recreation Summer Activity Guide is now online
- May 8, 2010: Sand volleyball tournament
- Pop Warner football registration begins soon
- May 18, 2010: Election – early ballots will start being mailed out on April 22, 2010.
- The update of the General Plan will be before voters in 2012; public discussion sessions have been initiated.

**II. REGULAR CITY COUNCIL MEETING AGENDA OF APRIL 21, 2010**

**McClendon** asked that the Special Event Liquor License application submitted by Oscar Chavez for the Mother Day's celebration at Immaculate Conception Roman Catholic Parish on May 8, 2010 be pulled for a separate roll call vote at tomorrow's meeting.

**Stuart** asked that the application submitted by William Bowles for a new Restaurant (#12) Liquor License for Das Bratwurst Haus at 204 South Madison be pulled for a separate roll call vote at tomorrow's meeting.

#### IV. GREATER YUMA PORT AUTHORITY

**Mayor Krieger** changed the agenda order, putting the Greater Yuma Port Authority item before the Yuma Metropolitan Planning Organization briefing.

**Mendoza** and **McClendon** departed the meeting at 5:30 p.m.

**Jim Chessum**, Executive Director of the Greater Yuma Port Authority (GYPA), briefed the City Council on the status of the San Luis Port-of-Entry II project. He displayed a number of photographs of the current San Luis Port-of-Entry (POE) I and the San Luis POE II property and the Area Service Highway (ASH) [also known as the Robert A. Vaughn Expressway (RAVE) and State Route 195 (SR195)] before, during and after their development to date. He presented the following information:

- GYPA Member entities: Yuma County; Cocopah Indian Tribe; City of San Luis; City of Yuma
- GYPA Ex-Officio members, act in advisory capacity:

Marine Corps Air Station - Yuma	Northern Arizona University – Yuma	Yuma County Chamber of Commerce
Greater Yuma Economic Development Corporation	Yuma Metropolitan Planning Organization	Arizona Department of Agriculture
University of Arizona Cooperative Extension – Yuma	Yuma Convention and Visitors Bureau	International Boundaries & Water Commission, U.S. & Mexico Sec.
City of Somerton	San Luis, Rio Colorado, Mexico	Mexican Consulate – Yuma
US Congressman, Raul Grijalva	General Services Administration (GSA)	Army Yuma Proving Ground
Arizona Western College	Yuma County Airport Authority	Yuma Private Industry Council
Yuma County Farm Bureau	Border Patrol Yuma Sector	Arizona Motor Vehicle Division
Southwest Arizona Port Users	San Luis Chamber of Commerce	Customs Border Protection
State Senator, Amanda Aguirre	State Representative, Lynn Pancrazi	State Representative, Russ Jones

- GYPA Mission Statement (2001): To develop a gateway for global trade and facilitate, promote, and support multi-modal transportation and trade opportunities to enhance economic development.
- History of the project
  - Yuma lies at strategic crossroads of several interstate highways – 500 miles from 30 million people.
  - Needs identified in 1990's: To improve traffic flow in the original San Luis POE; it was determined that the commercial vehicle inspection facilities should be relocated, leaving the original port to handle private vehicles and pedestrians. The relocation site selected was the then-existing cattle crossing, consisting of 400 acres on US side and 100 hectares on Mexico side, located 5 miles east of San Luis POE (I).
  - Initial activities: cleanup of the site and abandonment of a well
  - Required compliance with The Flat-Tailed Horned Lizard Rangewide Management Strategy

- Continuity of access was a federal requirement, leading to the development of ASH – 26 mile limited access highway from Interstate 8 to new commercial POE (San Luis POE II); completed Fall 2009
- Yuma County Airport Authority anticipates developing Raleigh Field as an executive jet port.
- Trucks exiting the port will be able to turn into the industrial park without having to access Avenue E.
- Sentry lanes will expedite traffic flow.

<b>Accomplishments</b>		
2000 Aug.	Environmental Assessment – Finding of No Significant Impact (FONSI) issued	
2000 Sept.	GYPA Incorporated – 501(3)(c) nonprofit organization	
2000 Dec.	Legislation adopted allowing GYPA to acquire POE property	
2001 Mar.	Application for Diplomatic Notes	
2001 Sept.	Exchange of Diplomatic Notes	
2002 Aug.	Land purchased	\$517,860
2003 Jan.	Arizona State Safety Enforcement and Transportation Infrastructure Fund (SETIF) grant	\$300,000
2003 Feb.	Federal Grant	\$500,000
2004 Mar.	Feasibility Study for San Luis POE II completed, using SETIF funds	
2004 Mar.	Feasibility Study for noncommercial San Luis POE I completed, paid for by GSA	
2004 Sept.	Lizard Sweep and Fencing	\$253,491
2004 Dec.	Design of Avenue E completed to 95%	
2006 Feb.	San Luis POE II included in President's FY2007 Budget as design/build project	
2006 Sept.	Construction of Avenue E completed	
2006 Sept.	Repaired lizard fence and sweep of adjacent areas	
2007 Feb.	San Luis POE I in President's FY08 budget as design project	
2007 Feb.	San Luis POE II funding appropriated by Congress as design/build project	\$42 million
2007 May	FONSI Approved for RAVE (ASH)	
2007 June	Presidential permit issued for San Luis II	
2007 June	GSA Issues design/build for San Luis II	
2007 June	Bid opening for construction of RAVE	
2007 June	ADOT purchases 20 acres for Motor Vehicle Department facility	
2007 July	GYPA installation of infrastructure begins	
2007 Oct.	GYPA transfers to GSA 84 acres for San Luis POE II at no cost	
2007 Nov.	Presidential Permit for new cattle crossing	
2007 Dec.	Demolish present cattle crossing	
2008 Feb.	Design funds for San Luis POE I	
2008 Feb.	Groundbreaking for San Luis POEII and RAVE	
2009 Jan.	ADOT/MVD San Luis II construction	
2009 Feb.	Water, sewer and electrical off-sites completed	\$3.6 million
2009 Feb.	CFR Change to allow "ticky"* cattle to cross in San Luis	
2009 Mar.	San Luis POE II Rio Colorado construction	
2009 Sept.	RAVE (SR195/ASH) opened	
2009 Sept.	Avenue E roundabout completed	

\* referring to cattle from Baja and Sinaloa in addition to Sonora cattle.

2009 Nov.	San Luis POE II and ADOT MVD construction completed	
<b>Schedule</b>		
2010 July	San Luis POE II international commercial POE to open	
2010 July	San Luis POE II ADOT/MVD inspection facility to open	
2010 Dec.	Western Passage of CANAMEX, Congressional High Priority Corridor, designation	
2011 Dec.	New cattle crossing to open	
2011 Dec.	Magrino Industrial Park, first phase, to open	
2011 Feb.	Construction funding for San Luis POE I in President's FY2012 budget	
2014 Oct.	San Luis POE I improvements to be completed	
<b>Costs</b>		
San Luis POE II	\$42 million	
ADOT/MVD facility	\$10 million	
RAVE (SR195/ASH)	\$86 million (community portion: \$26 million)	
Ave. E construction:	\$ 3 million - funded through YMPO & Yuma County	
Roundabout construction: \$1 million	\$ 1 million - funded by ADOT and Yuma County	
GYPA member entities' total investment	\$ 2, 380, 000 (\$595,000 per entity)	
<b>Expenses/Liabilities</b>		
GYPA IDA Bond	\$ 3 million	
- Interest remaining	\$334,125 (DSR - \$220,228.19)	
GYPA Equipment lease with City of San Luis	\$600,000	
- Interest remaining	\$ 57,000	
Cash Call for FY2011	\$ 50,000 each entity	
Total expended by member entities through FY2011	\$645,000	
GYPA unfunded liabilities to November 011	\$3,742,396.81	

- GYPA oversight and interest includes all modes of transportation: Trucks, planes, trains, ships, pipelines, communications
- GYPA is currently pursuing the designation of SR195 as a western leg of CANAMEX passage – the designation is supported by the State Transportation Board and CANAMEX officials; however, it is a matter of national legislation.
- Improvements to Mexican roadways tie into San Luis POE II.
- GYPA will have no funds to cover its liabilities by the end of FY2012, if no additional funds are forthcoming.

#### Investment value

- GYPA owns 237 net acres clear of easements
  - \$35,000 per acre (per 2006 ADOT appraisal of 20 acres) = \$8,295,000
    - Land value minus GYPA liabilities = \$4,552,603
    - Net return to each entity: \$543,150
  - \$65,000 per acre (per 2009 GYPA appraisal of 13 acres) = \$15,405,000
    - Net return to each entity: \$2,320,650
  - No investments have been lost; in fact, the value is increasing.

If the entities decide not to fund GYPA, then all entities will lose the benefit of their investment.

Benefits of membership:

- United voice on port issues
- Logistics as state supported agenda
- GYPA recreated in some fashion at Nogales and Douglas
- US and Mexico Federal and State agencies listen to GYPA
- Purchase of additional property to accommodate a gate/turnout into the Industrial Park from ADOT cost \$143,000
- Sewer, water, power and telephone/internet infrastructure has been extended to GYPA property
- GYPA Strategic Plan \$37,000 April 2009 – all modes of transportation
- GYPA appraisal \$7,500 August 2009
- 8 non-paid board members act as ambassadors and visionaries for region
- GYPA recognized by Arizona/Mexico Commission and Border Trade Alliance (BTA) as important contributors along border
- Works with Greater Yuma Economic Development Corporation (GYEDC), Yuma County Airport Authority and others to find businesses and developers to enhance the growth of the Yuma region on both side of the border. Also works with Mexicali and Imperial County, California.
- Supported the resurrection of the Arizona Industrial Development Authority to support Arizona border regions
- Ex-Officio members provide areas of expertise which aid GYPA Board of Directors in reaching solutions that make sense.
- Members entities have opportunity to see investments paid back and still retain ownership in GYPA
- What's been accomplished far outweighs the amount of money invested by each of the entities.
- The current delay in opening San Luis POE II is to allow time for the Mexican government to contract out the installation of port equipment.
- Yuma's regional unity has been of great benefit in the development of this project.

Discussion

- When will GYPA have a plan in place for marketing the industrial park lots?
  - Within six months, GYPA should have some idea of what the future holds. No later than mid fiscal year 2011, decisions will have to be made because, as it stands now, GYPA will have no funding by 2012.
  - The cash calls pay for interest payments on GYPA loans, a yearly audit, the leased Yuma Metropolitan Planning Organization equipment and his (Chessum's) salary.
  - Continuing ownership of port property is important because the port constitutes a future regional asset.
  - GYPA's ultimate goal is to become self-sufficient and return excess profits to entities within the various jurisdictions.

### III. YUMA METROPOLITAN PLANNING ORGANIZATION

**Charlene Fitzgerald**, Yuma Metropolitan Planning Organization (YMPO), noted that City Councilmember Paul Johnson and Cody Beeson and Mayor Krieger are members of the YMPO Board of Directors. YMPO functions as the regional transportation planner and has been tasked with managing the contract and funding of the Yuma County Area Transportation (YCAT) and Dial-A-Ride (DAR) programs. YCAT and DAR provide transportation equipment and programs that help citizens use the transportation system, making it easier for people to commute and stay connected to medical care, employment and educational opportunities. YMPO receives state and federal funding, which requires local matching funds.

YCAT/DAR FY2009-2010	Local Allocations	LTAF II Funding*
City of Yuma:	\$151,985	130,058
Yuma County	33,021	96,670
San Luis	11,200	37,059
Somerton	6,785	15,788
Wellton	3,071	3,216
Cocopah Indian Tribe (in addition to \$200,000 for Cocopah Gray and Purple routes)	41,196	
Orange Route (Fun Factory)	34,500	
Advertising	99,200	
Total		\$282,791

\*Local Transportation Assistance Funding (LTAF) has been cut at the state level. Previously, LTAF funding allocations to the various entities came directly to YMPO through joint program agreements.

#### LTAF Funding history

- 2003: none
- 2004: \$223,338
- 2005: \$419,745
- 2006: \$164,869
- 2007: \$559,378
- 2008: \$314,587
- 2009: \$362,326
- 2010: \$282,794

YCAT/DAR Costs	FY2009 and 2010
Capital	\$2,203,594
Operating	2,702,116
Program Support	101,954
	<b>FY2011</b>
Capital	1,200,000
Operating	3,513,093
Program Support	185,000

- 2009 stimulus funding was used to purchase replacement fleet vehicles and certain equipment.
- Each agency's share has been based on population and LTAF II funding.

- YCAT and DAR will be forced to reduce or cease services, return the buses and refuse future federal funding if each agency does not budget their share of costs.
- With current federal funding and local match funding, YCAT and DAR can only be continued to September 2010.
- YCAT and DAR benefits:
  - Provides economic development opportunity for low-income individuals
  - Garners federal funding
  - Reduces greenhouse gases
  - Mitigates traffic congestion
  - Makes area less dependent on foreign oil
  - Provides low cost transportation alternative, especially to elderly
  - Community members, including many disabled and low-income families, depend on YCAT and DAR for work, doctor appointments, discretionary shopping, shopping for daily necessities/groceries, family visits, education, tourism, and freedom from high gas prices.
- There is a community perception that YCAT is in an evaluation phase, rather than being an established and successful transportation system.
  - The system has certain deficiencies.
- Given the anticipated growth of certain transit-dependent populations, recent YMPO modeling indicated ridership would double by 2033.
- On an average day, YCAT transports 1,381 people; on a high volume day, 1,508 people ride the bus. Annually, YCAT takes 341,300 drivers off the road, translating into less traffic congestion, better air quality and less road wear.
- To receive the upcoming federal grant of \$4,898,092, the local match must be \$2,033,546.
  - Farebox revenues go to the third party bus operator.

Based on Chamber of Commerce population estimates:

	Population	Needed Allocation
City of Yuma	94,361	906,660.25
Yuma County	69,874	603,646.55
San Luis	27,629	231,147.59
Somerton	11,713	100,106.53
Wellton	2,363	33,357.34
Cocopah Indian Tribe	1,025	47,980.93
	<b>Total: 206,965</b>	<b>1,922,899.20</b>
Advertising		99,200
Fun Factory – no longer available		11,428.56
		<b>2,033,547.76</b>

#### Discussion

- Generally a planning organization does not manage the transit system directly, as is being done in Yuma.
- The allocation increases are startling; for the City of Yuma, it goes from \$151,985 to \$906,660.25.
  - The allocations should have been increased incrementally over time because the operations were continually increasing.

Continuing, **Fitzgerald** drew attention to DAR operations only.

- To keep YCAT in operation, DAR must be continued per federal mandate.
- Under current funding, DAR alone could not be continued.

DAR – FY2011

Needed funding	\$736,668
Local Transit Match	
▪ City of Yuma	119,985
▪ Yuma County	21,592.40
▪ San Luis	11,200
▪ Somerton	6,785
▪ Wellton	3,071
▪ Cocopah Indian Tribe	7,196
▪ Interest	-
Total 2011 Match	\$169,829.40
Revenue shortfall	\$566,838.60

Based on actual ridership, total FY2011 DAR costs would total: \$796,222. The Federal Transit Administration (FTA) grant would total \$493,657.64, requiring a local match of \$302,564.36. The City's portion of this local match would be \$166,557.99, an increase resulting from, in part, the loss of LTAF II funding.

**Fitzgerald** presented expenditures and revenues for YCAT and DAR operations from FY2007 through the current fiscal year. The operations have been in deficit spending from FY2007 to FY2009. FY2007 ran a deficit of \$549,607, FY2008 a deficit of \$213,501 and FY2009 a deficit of \$2,594,193. The operations were underfunded and in 2009, no grant was applied for; it has subsequently been requested and applied for. Currently, \$1,186,021 in grant funding remains for operations, which will take the operation to September 2010. Additional funds are needed from each entity to make up prior deficits matched.

YMPO is funded by the Federal Highway Department as a separate entity. Local matches for YMPO operations are as follows; figures have not changed since 2004:

City of Yuma	\$101,843
Yuma County	\$56,472
San Luis	\$19,156
Somerton	\$8,009
Wellton	\$1,178
Cocopah Indian Tribe	\$927

Discussion

- Fitzgerald began working for YMPO in August 2009; the financial situation was created prior to her employment.



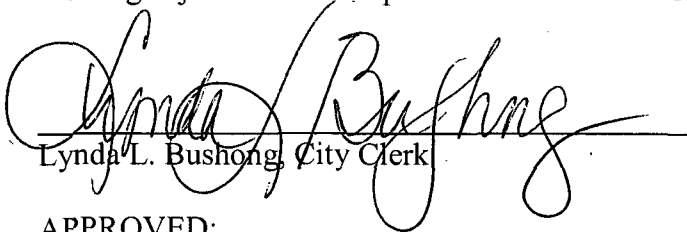
- YMPO is recommending the specific levels of funding because YMPO is responsible for the continued operations of the YCAT and DAR, which benefits the community. The noted allocations are necessary to continue operations.
- The City has no excess funds available.
- YMPO did not have enough staff to properly manage the system; many things have fallen through the cracks, including millions of dollars in grants.
- Costs have escalated; however, the contributors were not informed of the need for more money. How have operations been managed in such a deficit situation?
  - Grant apportionments are not always received in the grant year. YCAT and DAR are caught in a net of a bad economy, state budget cuts, insufficient management personnel, staff turnover, system growth and census figures trailing needs. Greg Ferguson and Russ Jones have been working to get the regional transit tax passed. It was managed on a crisis basis. When YMPO was initiated, a \$1 million reserve fund was created to help with cash flow; the money belongs to YMPO and is managed by the Yuma County Treasurer's Office. Each year the federal grant is used to reimburse any of these funds that have been used.
- In terms of the deficits, the possibility exists that funds could have been brought forward from one year to the next; the accounts are still being audited.
- If the fares do not cover the operations of the third party who manages the buses, YCAT grant and matching funds are used as subsidies. YCAT does not get any revenues from farebox revenues.
- To date the operations have been the subject of a fire audit by the FHA and a triennial review audit by the Federal Transit Agency, as well as single year audits for 2005 through 2009.

In closing, **Fitzgerald** commended her staff for their help and **Johnson** expressed the City Council's appreciation for her work.

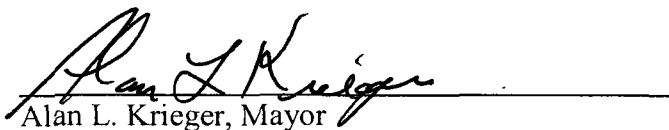
**V. ADDITIONAL ITEMS FOR POSSIBLE DISCUSSION – no discussion**

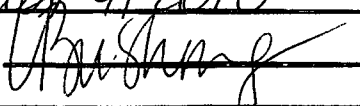
**VI. ADJOURNMENT/EXECUTIVE SESSION**

**Motion** (Johnson/Brooks-Gurrola): To adjourn the meeting. Voice vote: **adopted** 7-0. The meeting adjourned at 6:29 p.m. No Executive Session was held.

  
Lynda L. Bushong, City Clerk

APPROVED:

  
Alan L. Krieger, Mayor

Approved at the City Council Meeting of:	
August 4, 2010	
City Clerk:	
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